

WELLS
FARGO

RECORDATION NO.

24420-LL

FILED

MAY 05 '06

4-45 PM

Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue, Suite 700
Minneapolis, MN 55402

SURFACE TRANSPORTATION BOARD

Thursday, May 04, 2006

Secretary
Surface Transportation Board
1925 K Street NW
Washington, DC 20423



To Whom It May Concern:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Loan and Security Agreement dated May 4, 2006 including the following parties and railroad equipment:

Secured Party: Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue, Suite 700
Minneapolis, MN 55402

Debtor: Midwest Railcar Corporation
4949 Autumn Oaks Drive
Maryville, IL 62062

Equipment: Twenty-two (22) Covered Hopper railcars bearing reporting marks
MWCX 460203-460224, Inclusive

Please record this Memorandum of Loan and Security Agreement as a primary document.

The filing fee of \$34.00 is being sent overnight via UPS to the Surface Transportation Board.

Summary: Memorandum of Loan and Security Agreement dated 5/4/2006 between Wells Fargo Equipment Finance, Inc. as Secured Party and Midwest Railcar Corporation as Debtor, for 22 Covered Hopper railcars, MWCX 460203-460224, Inclusive.

Regards,

Patti H. DeYoung
Senior Contract Administrator
Wells Fargo Equipment Finance, Inc.
(612) 667-3695

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**MEMORANDUM OF
LOAN AND SECURITY AGREEMENT**

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LOAN AND SECURITY AGREEMENT (this "Memorandum") is made this 4th day of May, 2006, by and between Midwest Railcar Corporation an Illinois corporation ("Midwest"), and WELLS FARGO EQUIPMENT FINANCE, INC. a Minnesota corporation ("WFEFI").

A. Midwest has assigned all of its right, title and interest in and to that certain Schedule # 2 made as of August 4, 2005 to Full Service Lease Agreement dated August 4, 2005 between Synsil Products, Inc. as Lessee and Midwest Railcar Corporation as Lessor to WFEFI pursuant to that certain Loan and Security Agreement dated May 4, 2006 (the "Note") executed by Midwest Railcar Corporation in favor of the WFEFI.

B. To secure Midwest' obligations to WFEFI, Midwest executed and delivered to WFEFI a Loan and Security Agreement dated May 4, 2006 pursuant to which Midwest granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Twenty Two (22) covered hopper railcars described on Schedule A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Lessor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract or otherwise, in respect of any defect in the Railcars or any part thereof;

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

MIDWEST RAILCAR CORPORATION

By: Richard M. Murphy
Its: President & CEO

WELLS FARGO EQUIPMENT FINANCE, INC.

By: Shelli A. O'Connell
Its: Senior Contract Administrator

STATE OF Minnesota
COUNTY OF Hennepin

On this 4th day of May, 2006, before me, a Notary Public of the City and State aforesaid, personally appeared Patricia H De Young to me personally known, who being by me duly sworn, says that he is the Sr. Contract Admin of Wells Fargo Equip Fin Inc a MN corporation, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

Ann E Zierman
Notary Public

My commission expires: 1-31-2009



STATE OF MN
COUNTY OF Sherburne

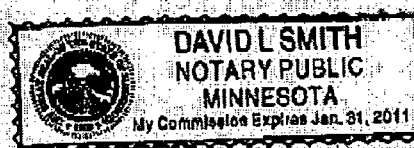
On this 3 day of May, 2006, before me a Notary Public of the City and State aforesaid, personally appeared Richard M. Murphy, to me personally known who being by me duly sworn, says that he is the President & CEO of Midwest Railcar Corporation, that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

David L Smith
Notary Public

(Seal)

My commission expires: 1-31-2011



Schedule A

Twenty Two (22) Covered Hopper Railcars bearing reporting marks MWCX 460203 – 460224, inclusive